



London Ambulance Service **NHS**
NHS Trust

Risk Register Procedure

DOCUMENT PROFILE and CONTROL.

Purpose of the document: is that it will be use as a framework for the Trust's Risk Register to enable the achievement of the strategic objectives by identifying and managing risks in a structured way.

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02/01/09	0.2	Records Manager	Minor – reformatted document

***Version Control Note:** All documents in development are indicated by minor versions i.e. 0.1; 0.2 etc. The first version of a document to be approved for release is given major version 1.0. Upon review the first version of a revised document is given the designation 1.1, the second 1.2 etc. until the revised version is approved, whereupon it becomes version 2.0. The system continues in numerical order each time a document is reviewed and approved.

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Links to Related documents or references providing additional information		
Ref. No.	Title	Version
TP/005	Risk Management Policy	
TP/035	Risk Reporting and Assessment Procedure	

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1. Risk Register Process

1.1 Overview

This document is intended for use as a framework for the Trust's Risk Register to enable the achievement of the strategic objectives by identifying and managing risks in a structured way. Proactive Risk management is integral to the effective corporate governance of the Trust.

1.2 Context

The risk register is one of the basic building blocks of risk management and provides a unified repository for the recording and monitoring of risks at both the local and corporate level within the Trust. Interaction with the risk register occurs at all stages of the risk management process from risk identification, assessment, through to risk response development and monitoring.

Figure 1 shows the Generic risk management process. Each of the risk management phases is described in the following paragraphs, along with how they utilise the risk register.

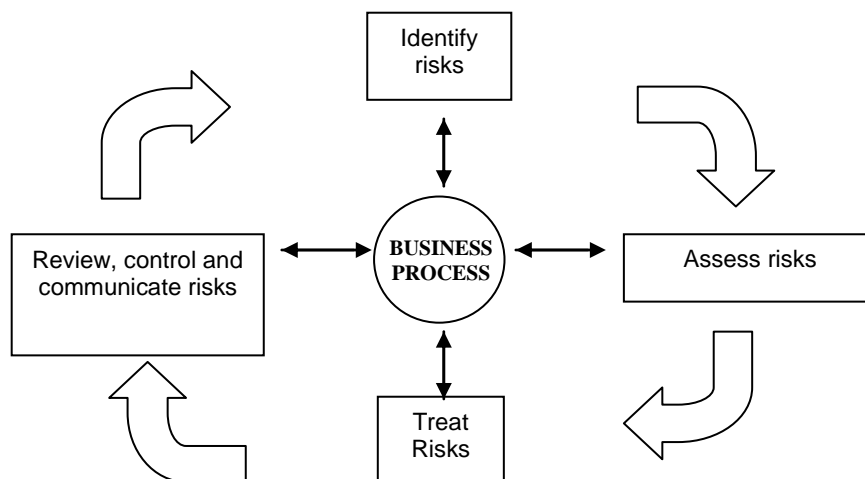


Figure 1. The Generic Risk Management Process

The Risk Management process is cyclic and continuous and is described in the following flowchart in Figure 2

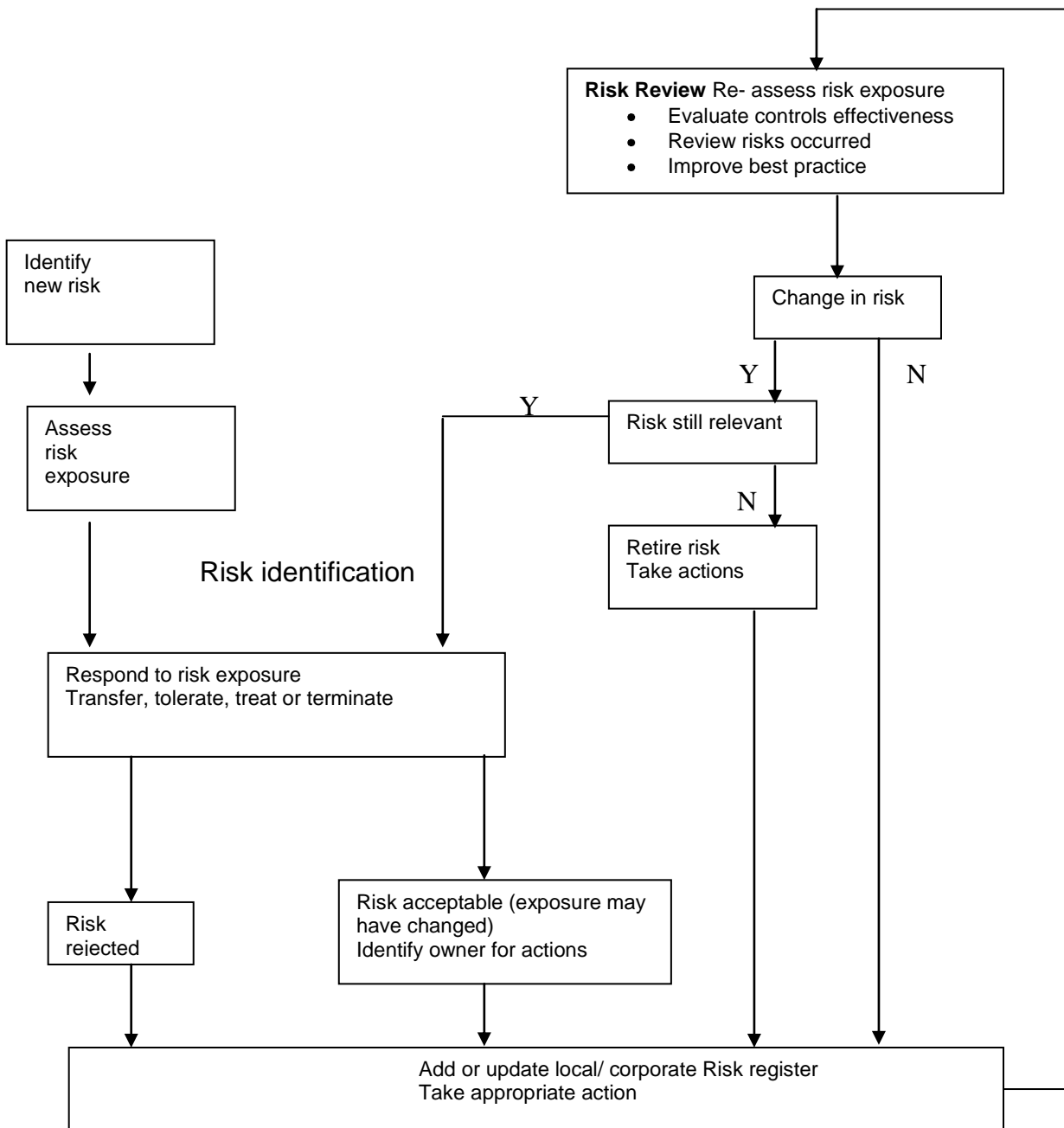


Figure 2

2. Risk Identification

All identified risks will be documented in the Trust's risk register with a statement of the risk, a description of the conditions or situations giving rise to the risk (its cause) and a description of its impact (its effect) and likelihood. A clear description of the risk, its cause and its effect will help greatly when response options are considered later in the risk management process.

Risks will be identified in several ways:

- A periodic 'top down' assessment led by the Senior Management Team, with contribution from the Strategic Steering Group. This will take place every year and will be linked with the development of the service plan
- From the bottom, risks will be identified and assessed where they occur (by any member of staff) and will then be reported to the Governance team for inclusion in the risk register
- Risks will also be identified using the findings and recommendations from Internal, external audit reports, Annual Health Check and NHSLA assessments.

There will be a continuous process of identifying, assessing and managing risk within each locality operational s (East, West and South) groups arising from Incidents, Complaints and Claims for inclusion in the local risk registers. Regular reports on risk to the RCAG will enable risks to be added to the risk register as and when necessary. The Senior Management team will take a strategic view of its risks and identify the top risks against the high level objectives and priorities of the Trust from their perspective. They will be responsible for identifying the '*Top Ten*' risks - those that contain the greatest threat to the Trust's objectives, and which need their regular strategic management input. They will also decide when to involve Board.

The Risk Register process is shown in Appendix 1

Describing the risk in a clear and concise way will often help to identify the key actions and controls to mitigate them. Tips for describing Risk are given in Table 1 below.

Start the sentence with:	Complete the sentence by:
There is a risk that	Describing the event or series of events that might happen
The risk is caused by	Identifying the generic cause area and describing the specific source of risk
The direct impact of the risk occurring will be	Describing the direct impact in terms of the adverse effect on the objectives of the work area in which the risk occurs
Reducing the probability and/or impact of the risk will involve	Describing the action that needs to be taken to reduce the probability of the risk occurring and/or to reduce the impact of the risk. This is the basis of the response plan.
The impact of the recovery action on the business unit / programme / project goals will be	Describing the impact on performance, schedule and/or cost goals once recovery action has been taken. This is the effect the response plan will have.

Table 1

Whoever identifies the risk should stay involved to the assessment stage. The initial assessment will then be refined with the help of colleagues and managers. A risk owner will be identified who will be responsible for reviewing and accepting the assessment for feeding into the risk register.

Given the types of risk that the Trust will encounter, the risks will be grouped under the following headings

- Business Continuity
- Clinical
- Corporate
- Financial
- Governance
- Health & Safety
- HR
- IM&T
- Infection Control
- Logistics
- Operational
- Reputation

Using these categories will facilitate grouping similar risks and begin the process of identifying potential crosscutting risks. This will also be used as an aid to identifying appropriate risk owners.

3. Risk Analysis

Once identified, risks need to be analysed. The risk assessment phase requires analysis of each identified risk to establish the probability of occurrence and its impact. In general, risk assessment is an iterative process, with each assessment building on the results of previous assessments. The baseline assessment is essentially that undertaken as part of the risk identification stage.

Assessment of impact and likelihood of a risk occurring are made considering both the gross and the net risk perspectives. Gross impact and likelihood are assessed as if the controls currently believed to be in place or any future actions planned were not actually there. Taking into consideration the mitigating effect of identified management actions already in place determines the net impact and likelihood.

The final assessment of each risk relates to the target impact and likelihood levels, which refer to the level of potential exposure that is required. If this target level is lower than the level of the net impact and/or net likelihood, further management actions need to be identified and put in place to reduce the impact and/or likelihood exposures to the acceptable level.

All the above analysis and management actions need to be recorded appropriately within the Risk Register.

The risk ratings are shown below:

Risk Scoring					
<u>Impact</u>					
Catastrophic	5	10	15	20	25
Major	4	8	12	16	20
Moderate	3	6	9	12	15
Minor	2	4	6	8	10
None / Insignificant	1	2	3	4	5
Descriptor	Rare	Unlikely	Possible	Likely	Certain
Frequency	Not expected to occur annually	Expected to occur at least annually	Expected to occur at least every 6 months	Expected to occur at least monthly	Expected to occur at least weekly
Probability	< 1%	1 – 5%	6 – 25%	26 – 60 %	>60%
	Will only occur in exceptional circumstances	Unlikely to occur	Reasonable chance of occurring	Likely to occur	More likely to occur than not
Likelihood of Recurrence					
Grading Bands	1-3 = LOW	4-6 = MODERATE	8-12 = SIGNIFICANT	15-25 = HIGH	

Risks with gross ratings in the low category can be monitored through routine management procedures. Risks with gross ratings in the medium and high categories will require management in the risk register, including setting a target rating for each of them that they will be managed towards. The net rating for these risks, along with their distance from the target rating, will determine the level of senior management attention required. More attention will be given to those remaining in the high category and those some distance away from their target rating.

Risk Owners must actively manage and prioritise both MEDIUM and HIGH risks in their areas, reviewing risk response actions and the critical risk areas wherever possible. They must also continuously assess the other identified risks in their areas to see if their ratings have become MEDIUM or HIGH. The outcome of these assessments should be reflected in the Risk Register.

4. Risk Escalation

When risk owners cannot complete actions necessary to treat risks because they may not have the required level of authority, the risk needs to be escalated to a higher level to ensure that the risk is allocated to the most appropriate person capable of handling it.

Risk escalation should also happen where either the risk is common across a number of areas within the Trust and could be more efficiently managed at a higher level or where the rating indicates that it is appropriate for inclusion within the Corporate Risk Register.

Once management of the risk has been accepted at the next level, the risk can be either be closed on the local risk register or kept open for monitoring purposes. If the risk is not accepted at the corporate level, the reason needs to be noted in the local risk register and the risk re-assessed. There will be occasions where a risk needs to be communicated outside the locality group to ensure visibility of cross cutting risks and to properly consider the Trust-wide impacts of such risks .

The RCAG will help to provide central support and encourage the uptake of good practice. As the central point for the receipt of risk register information, they will compare the data and approaches being taken by individual groups for consistency across the organisation. They will also act as agents in terms of collating and passing upwards information on current risk activity from the groups to help the Senior Management Team to keep the main risks under strategic review and share information on how to address these risks, as well as maintaining and disseminating up-to-date risk management guidance for managers and policy makers.

5. Risk Register Maintenance

The Senior Management Team will monitor progress against the risks within the corporate risk register. Locality Groups will review their local registers regularly and report significant changes to the corporate risk register.

SMG will have a standing agenda item on risk every month, where the top risks from the corporate risk register will be discussed and escalated/communicated to the Board and audit committee, as appropriate.

IMPLEMENTATION PLAN	
Intended Audience	For all LAS staff
Dissemination	Available to all staff on the Pulse
Communications	Revised Procedure to be announced in the RIB and a link provided to the document
Training	
Monitoring	

Corporate Risk Register Structure

